

# **PART 1**

## **2004 PROGRESS TOWARD ACHIEVING STRATEGIES**

The Washington State Consolidated Plan outlines five major goals and twenty-three specific strategies to improve housing and community development conditions in the state. The following reports progress made in each of the goal areas and the relative success in implementing the strategies intended to be operationalized over the past five years.

The Department of Community, Trade and Economic Development collected data from internal tracking systems as well as from outside organizations such as the Washington State Housing Finance Commission. The cooperation of all of organizations that contributed to the preparation of the 2004 CAPER is deeply appreciated.

## A. AFFORDABLE HOUSING

**Table 1A - Summary of Federal Resources Invested**

Program	Source of Funds	State Administering Agency	Grantees	2003 Funding	2004 Funding
HOME	HUD	CTED	Units of local government, nonprofits, public housing authorities	\$9,220,092	\$3,020,000 Single family owner-occupied Repair/Rehab \$6,045,004 General Purpose
Weatherization	DOE, Bonneville HHS	CTED	Community action agencies	\$12,449,244	\$12,933,545
CDBG	HUD	CTED	Units of local government/non entitlement	\$18,944,000	\$18,651,019
ESGP	HUD	CTED	Units of local government, PHAs, nonprofits	\$1,053,000	\$1,349,118
LIHTC	Federal Tax Credits	Housing Finance Commission	For profit and not for profit housing developers	\$10,202,970 competitive tax credits \$9,133,650 tax credits on bond financed deals	11,036,601 12,193,653
PATH	HHS	DSHS	Units of local government	\$820,000	\$1,079,000
State Administrative Agency	HUD Fees from manufact'd home sales	CTED	N/A	\$66,283	\$115,257
Supportive Housing Program, S+C, SRO Mod rehab	HUD	CTED	Nonprofits	\$2,999,151	\$4,368,625
HOPWA	HUD	CTED	Nonprofits	\$637,000	\$652,000
<b>TOTAL</b>				\$65,525,390	\$71,443,822

**Table 1B - Summary of Non-Federal Resources Invested**

<b>Program</b>	<b>Source of Funds</b>	<b>State Administering Agency</b>	<b>Grantees</b>	<b>2003 Funding</b>	<b>2004 Funding</b>
Housing Trust Fund including set-asides	Washington State capital budget	CTED	Nonprofits, units of local government, housing authorities	\$45,453,499	\$37,344,640
Technical Assistance for Housing Projects	Washington State Housing Accounts	CTED	Nonprofits, units of local government, housing authorities	\$286,000	\$476,975
Energy Matchmakers	Washington State capital budget & oil overcharge funds	CTED	Community action agencies	\$5,750,000	\$4,500,000
Emergency Shelter Assistance Program	Washington State general fund	CTED	Nonprofits, units of local government, housing authorities	\$5,231,812	\$5,190,001
Non-Profit Housing (Capital Projects)	Bonds	Housing Finance Commission	Nonprofit providers	\$51,602,435	\$15,900,00
Multi-Family Housing (Capital Projects)	Bonds	Housing Finance Commission	For-profit homebuyers	\$105,004,030	\$217,995,000
Single-Family (House Key Program)	Participating lenders	Housing Finance Commission	First-time homebuyers	\$65,069,904	\$113,012,246
Office of Manufactured Housing	Fee paid to transfer at sale	CTED	None – direct Ombudsman services	\$281,897	\$283,224
Mobile Home Relocation Assistance Program	Fee paid for manufact'd homes purchased inside parks.	CTED	Homeowners required to relocate due to park closures	\$486,800	\$542,542
Manufactured Housing Installer Program	Fees for initial training & rectification	CTED	None	\$84,156	\$ 102,187
Transition Housing Operating and Rental Assistance (THOR)	State General Fund	CTED	Nonprofits, units of local government, and housing authorities	\$2,290,614	\$2,375,000
<b>TOTAL</b>				\$281,541,147	\$397,721,815

Table 1C – HOME

HOME DISBURSEMENTS AND UNIT COMPLETIONS				PROGRAM YEAR 2004			
ACTIVITY TYPE	DISBURSED AMOUNT	UNITS COMPLETED	UNITS OCCUPIED				
Rentals	N/A	42	40				
First-Time Homebuyers	\$0.0	5	5				
Existing Homeowners	1,371,826	146	146				
Total Rentals	N/A	42	40				
Total, Homebuyers and Homeowners	1,371,826	151	151				
Total All Activities	-----	193	193				
HOME UNIT COMPLETIONS BY PERCENT OF AREA MEDIAN INCOME							
ACTIVITY TYPE	0%-30%	31%-50%	51%-60%	61%-80%	0%-60%	0%-80%	AS VACANT
Rentals	22	12	6	0	40		
First-Time Homebuyers		4	1	0	5		
Existing Homeowners	110	30	6	0	146		
Total Rentals	22	12	6	0	40		
Lower Income Benefit %	.55	.30	.15		1.00		
Total, Homebuyers and Homeowners	110	34	7	0	151		
Lower Income Benefit %	.73	.22	.05		1.00		
Total Rental, Homebuyers and owners	220	46	13		279		
Lower Income Benefit %	.79	.16	.05		1.00		
HOME TBRA COMPLETED ACTIVITIES				ALL PROGRAM YEARS			
	0%-30%	31%-50%	51%-60%	61%-80%	0%-60%	0%-80%	
TBRA Families	3,665	482	19	3	4,166	4,169	
Lower Income Benefit %	83	15.2	1.6	.2	99.8	100.0	

## NOTES FOR TABLE 1C - HOME

### General Information

This is information gathered from a standard pre-programmed report from HUD's Integrated Disbursement and Information System (IDIS) that summarizes accomplishments under HOME. As projects are completed, information on disbursements and services by percent of area median income (household income type) are entered into the IDIS system.

CTED uses HOME for developing and preserving multi-family rental units under the "Rentals" category. At closeout, some completed units are vacant, therefore the number of units occupied may not always equal the number of units completed.

CTED has not used HOME funds for first-time homebuyer projects for several years. This activity has been primarily funded through the HTF (non-Federal resource). However, older first-time homebuyer projects that were funded by HOME in the early years have only now begun to be closed. Therefore some disbursement and service activity appears in more recent IDIS reports, although no new first-time homebuyer activity has occurred.

HOME funds for existing homeowners reflect the activities of the HOME Repair and Rehabilitation Program. This program provides repair and rehabilitation of low-income owner occupied single-family dwellings often combined with federally funded weatherization services.

### HOME Disbursement and Unit Completions

This is a report of disbursements of HOME funds by activity and by units completed and occupied. CTED has not located a report that will provide disbursement activity by household income type, within each activity. For example, there is no IDIS report that will indicate the amount disbursed for Rental projects that benefited those households with incomes of 0 percent to 30 percent.

### HOME Unit Completions by Percent of Area Median Income

This is a report of households served in each activity area, by the percent of area median income group. For example, of the units completed and occupied in a given year in the "Rentals" line item activity, the number of households with incomes between 0 – 30 percent, 31 – 50 percent, 51 – 60 percent or 61 – 80 percent are so noted in the report.

### HOME TBRA Completed Activities

This is a report of households served in the Tenant Based Rental Assistance (TBRA) program, by the percent of area median income group. However, unlike the reports for Rentals and Existing Homeowners, there is no separate report by program year. This table represents information reported for all program years. There is no IDIS report that will show TBRA information by program year.

### Historical Data

Information from 1999-2004 on the percentage of units completed for the lowest-income (0% - 30%) household group is provided below.

Households at 0 – 30 percent of Area Median Income						
Program Year	1999	2000	2001	2002	2003	2004
Rentals	54%	63%	57%	58%	59%	55%
Existing Homeowners	65%	55%	62%	60%	65%	73%

**Table 1D - Summary of Resources Invested in Programs to Support Low-Income Homeowners**

<b>Source of Funds</b>	<b>2003 Funding</b>	<b>2004 Funding</b>	<b>Number of Units or Households Assisted</b>	<b>Other Funds Leveraged</b>
HOME (federal)	\$2,834,614	\$2,067,418	108	\$390,000
Housing Trust Fund	\$4,173,441	\$3,166,532	205	\$12,666,000
US DOE	\$2,701,081	\$2,223,002	823*	
HHS	\$4,122,165	\$3,272,241	859	
BPA (Carryover)	\$707,778	\$837,246	220	
Energy Matchmakers	\$3,478,395	\$2,203,279	627	\$2,203,000
CDBG	\$2,210,550	\$3,142,210	110	
Mobile Home Relocation Assistance Program	\$486,800	\$542,542	62	
<b>TOTAL</b>	<b>\$20,714,824</b>	<b>\$17,454,470</b>		

\*Some duplication of number of units among fund sources

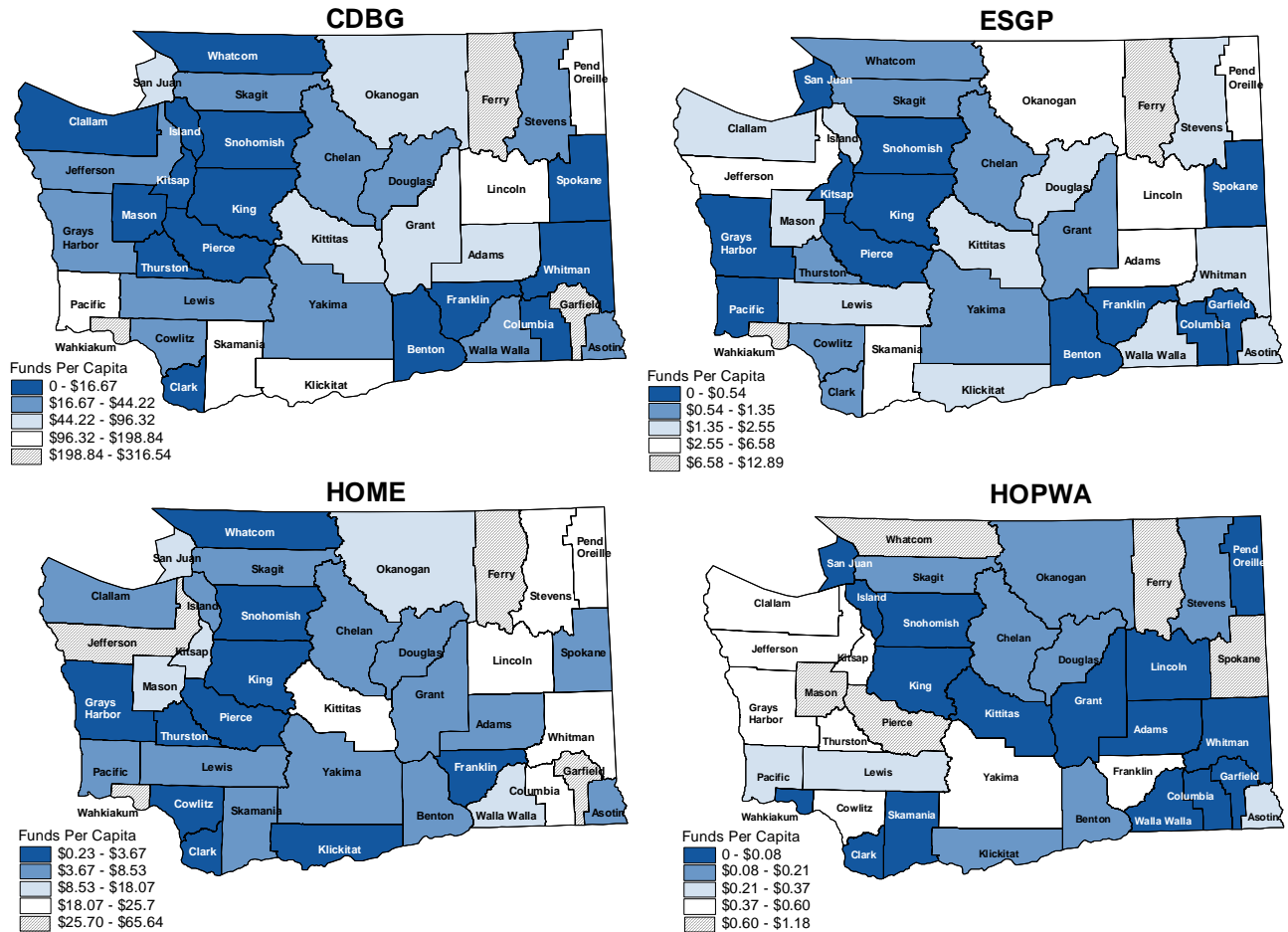
**Table 1E - Summary of Resources Invested in Programs to Support  
Low-Income Renters**

<b>Source of Funds</b>	<b>2003 Funding</b>	<b>2004 Funding</b>	<b>Number of Units or Households Assisted</b>	<b>Other Funds Leveraged</b>
HOME (federal)	\$6,349,746	\$6,045,004	214	\$24,180,000
Housing Trust Fund	\$54,675,135	\$34,178,108	1,975	\$136,712,000
LIHTC	\$19,336,620	\$23,230,254	4,422	
US DOE	\$1,763,972	\$2,317,282	858*	
HHS	\$2,692,026	\$3,411,020	895	
BPA (Carryover)	\$462,222	\$872,754	229	
CDBG	\$77,340	\$0	0	\$0
Energy Matchmakers	\$2,271,605	\$2,296,721	654	\$2,296,721
<b>TOTAL</b>	<b>\$87,628,666</b>	<b>\$72,351,143</b>		

\*Some duplication of # of units among fund sources

# Geographic Distribution of HUD Funds Received by CTED by Program Per Capita 2002-2004

## Geographic Distribution of HUD Funds Received by CTED by Program Per Capita 2002-2004



### Map Notes:

#### CDBG

State CDBG eligible or *non-entitlement* cities and towns are those with less than 50,000 populations or counties with less than 200,000 populations provided the cities, towns, and counties do not participate as members of HUD Urban County Consortia. The *entitlement* jurisdictions receive CDBG funds directly from HUD. This map does not show the amount of CDBG funds received by the entitlement cities or counties, but only shows the geographic distribution of state CDBG funds.



### **ESG**

Counties showing lesser amounts per capita may be counties that receive their funding directly from HUD or small counties that have a lesser need for ESG funding or have declined to apply for ESG funding, such as Pacific County. The counties receiving their funding directly from HUD are King and Pierce.

### **HOPWA**

Counties showing lesser amounts per capita may be counties that receive their funding directly from HUD or small counties that have not expressed a need for HOPWA funding. The counties receiving their funding directly are from HUD are King, Island, Clark and Snohomish. Skamania County is served by Portland EMSA.

### **HOME**

Counties showing lesser amounts per capita may be counties that receive their funding directly from HUD. Tenant Based Rental Assistance and Housing Repair and Rehabilitation funds are targeted to households in areas of the state not served by local HOME participating jurisdictions. The development program for rental housing awards funds statewide.

## **Goal I. Provide safe, decent, affordable housing, targeting households earning up to 80 percent of the area median income.**

### **STRATEGY 1.**

**Provide a continuum of housing and services for homeless people, and forestall further homelessness through prevention activities.**

#### **Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ In 2004, the Balance of State Continuum of Care more than doubled the amount captured for the state's homeless programs through the national McKinney Homeless Programs competition.
- ❑ In 2004, community action agencies allocated a 19 percent increase from \$291,374 to \$346,137 of their CDBG Public Services Grants to respond to household emergencies and disasters, including one-time payments or short-term loans to families or individuals, legal assistance, shelter, clothing, emergency medical and/or dental services, and/or cash support.
- ❑ DSHS Mental Division supported facilitated planning sessions in Longview--Southwest Washington RSN and in Everett--North Sound RSN. The facilitated planning sessions brought together local mental health authorities; mental health providers of service to homeless people; city and county planners; substance abuse, health, corrections and other allied providers; and housing staff. The purpose was to assist participants to identify current capacity to provide mental health, housing and related services to homeless mentally ill and other individuals. Once a capacity level was established, participants identified what capacity would be desirable and considered options for attaining that desired capacity. Technical assistance was provided to help identify possible additional steps. One of the communities sought and received a Projects for Assistance in Transition from Homelessness (PATH) grant from DSHS Mental Health Division.
- ❑ A partnership between the state and the independent continuums of care in King and Snohomish counties was developed to centralize the HMIS effort, which will reduce costs and improve services.
- ❑ Through its partnership with rural counties and local community action agencies, CDBG funded \$53,191 for public services in support of transitional housing activities.
- ❑ Through its partnership with rural counties and local community action agencies, CDBG funded \$42,385 for public services in support of emergency shelter activities.

#### **Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 1.1 (Seek additional funding for emergency shelters and transitional housing and services)* HUD awarded \$4,368,625 of McKinney funding to CTED to continue 31 homeless projects and to start two new projects targeting people who are chronically homeless in Thurston County. In

2004, two counties joined in the Balance of State Continuum of Care, more than doubling the amount awarded to the state's consortium effort.

- 1.2 *(Seek additional funding to increase transitional housing construction)* The state's Housing Trust Fund (HTF) awarded state capital funds to provide 31 units of transitional housing.
- 1.3 *(Collaborate to optimize the success and benefits of the Healthy Families Initiative)* The HTF provided more than \$2.4 million in financing for 10 Sound Families projects. Sound Families is a program developed by the Bill and Melinda Gates Foundation. These projects will build transitional housing for homeless families in King, Pierce and Snohomish counties.
- 1.5 *(Local government support for homeless families)* The CDBG Planning-Only Grant program funded several planning activities submitted by local governments in support of low-income housing in 2004, including two housing needs assessments and an emergency shelter study.
- 1.8 *(Develop a homeless client tracking system)* Expanded HMIS effort to cover Thurston, Grant, Adams, and Skagit counties. Worked cooperatively with the Seattle/King County and Snohomish County Continuums of Care to update HMIS software to be compliant with the final HUD HMIS standards.
- 1.9 *(Increase partnering of service providers and housing developers)*  
There is continued success in this area. Examples of such HTF-funded projects include:

AIDS Housing Association of Tacoma has been serving the needs of people living with HIV/AIDS since 1989. With the assistance of Common Ground, they developed a project for chronically homeless persons living with AIDS, the first housing of its type in Pierce County. The project consists of the purchase and rehabilitation of two houses that will provide permanent housing for 8 individuals who will live together in supported but self-governing communities. The HTF award was \$198,121 or 29% of the \$688,701 total development cost.

Catholic Community Services Southwest has a long history of providing comprehensive services to vulnerable individuals, families, children and the elderly. The agency partnered with Beacon Development Group to develop a transitional housing facility for twenty-five chronically homeless men, a population currently not served in Kitsap County. The new building includes 24 beds in a dormitory-style sleeping arrangement and a private unit for a father with children. The HTF award was \$835,000 or 57% of the \$1,477,080 total development cost.

Cocoon House-Youth Emergency Shelter – with the assistance of development consultant Common Ground, they will construct an eight-bed emergency shelter for extremely low-income 13-17 year old youth in Arlington. The project includes an HTF award of \$261,306 or 36% of the \$736,027 total development cost.

- 1.10 *(Prevent homelessness by preventing evictions)* Over the past 12 months CTED has provided financial assistance to 17,688 single adults and 30,350 persons in families with children to help prevent evictions or to assist them in moving from a shelter to an affordable rental unit.

**Table 1F – Summary of Program Assistance Provided to  
People who are Homeless**

(Shelter and Services for People who are Homeless)

<b>Source of Funds</b>	<b>2003 Funding</b>	<b>2004 Funding</b>	<b>Number of Units or Households Assisted</b>	<b>Other Funds Leveraged</b>
ESGP (federal)	\$1,053,000	\$1,349,118	12,381 individuals assisted in 6,300 households	
THOR (state)	\$2,290,614	\$2,361,499		
ESAP (state)	\$5,213,812	\$5,190,001	58,775	
Housing Trust Fund	\$7,279,303	\$6,787,552	245	37,792,292
Supportive Housing Program	\$1,697,357	\$2,153,409	901	
CDBG (federal)	\$99,971	\$66,385	100	
<b>TOTAL</b>	\$17,634,057	\$17,907,964		

\*Some duplication of number of units among fund sources

**STRATEGY 2.**

**Continue operation and increase the supply of housing along the continuum of housing needs for agricultural workers. This includes seasonally and permanently occupied rental and ownership housing. Increase technical assistance and capacity of organizations to develop housing for farmworkers. Encourage a collaborative approach to developing housing for farmworkers among the private for-profit, private non-profit and public housing authorities.**

**Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ CTED provided funding to support 62,672 bed nights in seasonal migrant camps during the 2004 harvest season. Seasonal camps were operated at Monitor Park in Wenatchee, East Oroville Harvest Park in Oroville, Esperanza in Mattawa, and Pangborn Cherry Harvest Camp in East Wenatchee.
- ❑ CTED provided funding for the Rent-A-Tent Program, which was operated by the Washington Growers League. The program created 23,436 bed-nights during the 2004 harvest season.
- ❑ CTED provided funding to the Department of Health to provide emergency housing vouchers to migrant workers that are displaced for health and safety reasons and cannot afford to pay for housing. During the 2004 harvest season, emergency housing vouchers provided 1,840 bed nights of emergency shelter for migrant workers.
- ❑ CTED continued to fund the One Stop Clearinghouse, which provides technical assistance to growers and non-profit organizations to develop farm worker housing. The One Stop Program also provides assistance to growers who are applying for infrastructure loans to support on-farm worker housing.
- ❑ In 2004, CTED's infrastructure loan program supported the creation or preservation of 169 on-farm seasonal beds for migrant workers. The program concluded in December 2004.
- ❑ CTED continues to partner with the Washington State Association of Counties to build partnerships at the local level, and to work with organizations such as the Washington State Farmworker Housing Trust, Washington Growers League, and Office of Rural and Farmworker Housing to explore new resources and models for the development of both permanent and seasonal farm worker housing.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 2.1 *(Maintain the current commitment of the Legislature to invest in farmworker housing and increasing funding by \$2 million)* A commitment of \$8 million per biennium for farm worker housing was sustained for the 03-05 biennium.
- 2.2 *(Provide \$1.5 million in non-capital funds to assist in operating costs of farmworker housing, and establish an on-going revenue resource)* CTED maintained its commitment to support operating and maintenance costs for ten years for Esperanza, a seasonal migrant

camp operated by the Housing Authority of Grant County, providing \$50,000 in 2004 from its Operating and Maintenance funds.

- 2.4 *(Continue to award additional points to projects proposing farmworker housing)* The Washington State Housing finance Commission (WSHFC) continues to award additional points to tax credit projects proposing to develop farm worker housing.
- 2.6 *(Continue operation of the One Stop Center and work toward increased funding of infrastructure loans for growers)* The state continues to support the One Stop Clearinghouse, which provides technical assistance to growers, nonprofits, and local governments regarding the development of on-farm housing. The One Stop also assists growers that are seeking loans for infrastructure improvements to support on-farm housing. In 2004, the One Stop responded to 319 calls for technical assistance and assisted four growers with infrastructure loans that provided 169 seasonal on-farm beds. Although federal funding for infrastructure assistance was exhausted in December 2004, CTED is pursuing alternative funding, including a state budget appropriation, in order to be able to continue providing infrastructure loans to growers in support of on-farm housing.

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
200 additional units of housing will be created in 2001.	The Housing Trust Fund funded 50 units of permanent farmworker rental housing in Cowlitz and Yakima counties (2004 calendar year – spring and fall rounds).
The One Stop Center will respond to 45 calls per month from farmers/growers.	Responded to 319 calls, or an average of 27 calls per month.

**STRATEGY 3.**

**Maintain and ensure continued housing options for persons with special needs including, but not limited to, frail elderly, children in foster care or group care placements and persons with disabilities.**

**Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ In the past year, the HTF provided funds to develop 34 units for people who are chronically mentally ill and 45 units for people who are developmentally disabled.
- ❑ CTED, DSHS and the Department of Corrections continued to work together to develop a 10-Year Plan to end chronic homelessness. People who are chronically homeless are single adults who are disabled and persistently homeless. In 2004 a staff person dedicated to work with the Policy Academy on Chronic Homelessness was hired to develop a 10-Year plan.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

3.1 *(Seek state funding for operating support of special needs housing)* Nine projects received commitments totaling \$484,285 per year through the state's Operating and Maintenance Fund program that was created in 2002. There are 10 more projects that will be coming on line in 2005-2006. Funding for these projects, in addition to the current 9, will total \$702,639 per year.

3.2 *(Strengthen non-profit organizations)* and 3.4 *(Facilitate partnerships)*

CDBG awarded a \$348,000 Housing Enhancement Grant to fund the Rosehaven Cottages that provide 25 units of multi-family rental housing for low-income seniors in the city of Walla Walla.

CDBG awarded \$1 million to fund the acquisition of a drug abuse prevention center, which provides housing and supportive services for this special needs group in Cowlitz County.

3.3 *(Encourage and facilitate the expansion of the HomeChoice program that provides homeownership opportunities for people with developmental disabilities)* The Washington State Housing Finance Commission (WSHFC) provided more than \$978,000 in down payment assistance to 75 households with developmental disabilities enabling them to own their own home for the first time.

3.5 *(Strengthen the partnership with DSHS to coordinate capital and service dollar appropriations to increase the amount of services available to persons with special needs)* DSHS and the Department of Corrections are helping CTED to develop a 10-Year Plan to end chronic homelessness. A plan will be developed by June 2005.

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Develop or preserve 680 units of special needs housing.	492 units of special needs housing developed.
Establish a state-funded operating subsidy program for special needs housing within five years.	A commitment has been made to invest \$16,728,905 in 19 projects over the next 20 years.
Increase the number of applications from service providers who have partnered with experienced housing developers.	Cocoon House-Youth Emergency Shelter – with the assistance of development consultant Common Ground, they will construct an eight-bed emergency shelter for extremely low-income 13-17 year old youth in Arlington. The project includes an HTF award of \$261,306 or 36% of the \$736,027 total development cost.
Develop and disseminate a public information packet for neighborhoods to educate them on special needs housing by 12/31/01.	No specific action taken during the report period.
Identify and publicize incentives that have worked in communities to include special needs housing. Make this information available annually.	No specific action taken during the report period.



**Table 1G - Summary of Program Assistance Provided to  
People with Special Needs**

<b>Source of Funds</b>	<b>2003 Funding</b>	<b>2004 Funding</b>	<b>Number of Units or Households Assisted</b>	<b>Other Funds Leveraged</b>
Housing Trust Fund*	\$20,449,094	\$19,634,440	447	\$124,182,854
Developmental Disabilities	\$2,175,037	\$3,063,740	45	\$18,074,706
HOME	\$1,644,025	\$6,693,565	443	\$37,371,241
Home Choice Program	\$956,793	\$978,729	75	
Housing Opportunities for People with AIDS	\$637,000	\$652,000	614	
CDBG	\$70,000	\$1,348,000	65	\$3,958,792 <i>including HTF</i>
Supportive Housing Program	\$750,000	\$750,000		
<b>TOTAL</b>	\$26,681,949	\$33,120,474		

\*Includes HTF for Chronically Mentally Ill, Elderly, Youth, Farm Workers, People with Substance Abuse, Persons with HIV/AIDS, Survivors of Domestic Violence, and Physically Disabled.

\*Some duplication of number of units among fund sources

**STRATEGY 4.****Preserve existing owner-occupied housing stock.****Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

4.1 (*Assist low-and moderate-income households to preserve single-family, owner-occupied housing*) During the 2004 calendar year, 2,240 owner-occupied single-family homes were preserved, using a combination of state and federal (DOE, HHS & BPA) weatherization funds and federal (HOME) repair and rehabilitation program funds. An additional 200 homes were weatherized with utility and other resources leveraged through the Energy Matchmakers program. Services were provided through an established network of community-based non-profit organizations and local governmental agencies.

CDBG awarded \$3,142,210 for the rehabilitation of 110 owner-occupied housing units and provided technical assistance to local governments on the development of housing rehabilitation programs in rural areas of the state. (Included in table 1D)

Specific Performance Measures 2004	
Measures	Accomplishments
Preserve at least 2,000 owner-occupied, single-family dwellings by investing in energy efficiency, health, safety, repairs and rehabilitation improvements.	2,240 dwellings preserved with federal and state low-income weatherization and federal CDBG and HOME repair and rehabilitation funds

**STRATEGY 5.**

**Preserve existing affordable rental housing units threatened with loss of expiring federal affordability requirements or deteriorating conditions.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 5.1 *(Make a 10 year commitment to increase Housing Trust Fund resources including targets for preservation)* The capital budget for low-income housing was increased by \$2 million to \$80 million in the 2003-05 biennial budget.
- 5.2 *(Provide state and federal funds to preserve affordable housing that is at risk of conversion to market rate and is needed for current community needs)* Non-profit organizations and Housing Authorities preserved 64 units of Section 8 housing in 2004 with HTF support.
- 5.5. *(Local Housing Authorities seeking state funds or support for HOPE 6 projects shall be required to submit a capital and resident relocation assistance plan, and replacement housing plan)* This continues to be required as part of the HTF application.
- 5.7 & 5.13 *(Collect information from owners of federally-assisted housing on expiring or prepayment of contracts. Monitor portfolio of HUD-assisted projects and expand to include USDA-assisted structures)* Collected information from 21 owners of federally-assisted housing on expiring contracts. All chose to continue in the program. Tracking was expanded to include tax credit projects. CTED participates in monthly telephone conference meetings with other organizations to monitor the portfolio of assisted units and to identify issues and work on solutions.
- 5.8 *(Require borrowers of state funds to continue Section 8 contracts for as long as the Congress and HUD make subsidies available, unless doing so jeopardizes project feasibility)* The state requires a 40-year covenant to serve low-income households on all HTF funded projects.
- 5.15 *(In cooperation with WSHFC, identify projects financed with LIHTC, and work with local housing agencies to ensure no loss of affordable housing through conversion to market rate)*

CTED staff continued to work with WSHFC and other public funders to identify Low Income Housing Tax credits (LIHTC) funded projects whose regulatory agreements will end within the next few years.

Specific Performance Measures for 2004	
Measures	Accomplishments
Assist in preservation of 500 units of federally-assisted housing.	64 units of federally-assisted housing preserved.

**STRATEGY 6.**

**Increase the supply of housing affordable to renter households earning up to 80 percent of the area median income, targeting households earning less than 50 percent of the area median income.**

**Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ Efforts continued in 2004 to develop a better management information system that will be able to track and report HTF units completed by household income categories much in the same manner as HUD's management information system for HOME.
- ❑ The HTF and HOME Program, administered by CTED, continue to provide funding for affordable housing projects statewide. In 2004 these sources provided financing to develop and rehabilitate 922 rental units. The majority of such funding is awarded to projects serving households at or below 50 percent AMI.
- ❑ The Washington State Housing Finance Commission's Low Income Housing Tax Credit program financed 4,422 rental units in 2004, up from 2,838 units in 2003, a 56 percent increase.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

6.1 *(Make a 10-year commitment to increase Housing Trust Fund resources with target appropriation levels of \$85 million for the 2001-2003 biennium and \$100 million for the 2003-2005 biennium. Establish annual targets for rental units for very low-income household for the Housing Trust Fund)* The capital budget for low-income housing was increased by \$2 million to \$80 million in the 2003-05 biennial budget.

6.2 *(Support development and construction of new rental units affordable to households earning less than 80 percent of the area median income by the private for-profit, non-profit and public sectors)* The WSHFC administers the Federal LIHTC, the Multi-family Housing program using tax-exempt private activity bonds and the Non-Profit Housing program using 501c(3) tax-exempt bonds. These are all statewide programs accessed by the private for-profit, non-profit and public sectors. These programs specifically serve households earning less than 80 percent of the area median income. Together these programs financed 4,422 new affordable rental units in 2004, a 56 percent increase from 2003.

CDBG awarded \$125,000 to assist the construction of 10 units of rental housing in Okanogan County.

6.3 *(Support rehabilitation and repair of existing rental units to increase safety and energy efficiency while reducing overall housing costs)* During the 2004 calendar year 2,240 owner-occupied single-family homes were preserved, using a combination of state and federal weatherization funds and HOME Repair and Rehabilitation Program funds. The HTF and other funding in the HOME program assisted in the rehabilitation of 353 units of rental housing in 2004.

6.6 *(Support state enabling legislation providing local government with added revenue to capitalize local housing trust funds)* Twenty counties have executed SHB 2060 interlocal agreements and two counties are in various stages of developing such agreements. This legislation provides revenue from a document recording fee to all 39 counties and the cities within their area to be used for affordable housing projects.

6.7 *(Support an increase in housing's initial share of the increase in the federal private activity bond cap for tax exempt bonds)* A substantial portion of the available bond cap continues to be used to develop affordable housing. In 2004, 59 percent of the state's total bond cap allocation went to finance affordable housing.

6.10 *(Encourage high quality publicly and privately owned rental housing that targets a mixture of household incomes from low-income to median income)* A good example of a mixed income HTF-funded project in 2004 is the Summerwood Apartments project in Redmond. Downtown Action to Save Housing (DASH) will acquire and rehabilitate the existing 190-unit project. It will be renovated to include 118 rental and 48 condominium units. The project will provide affordable rental housing to 45 households at/below 30% AMI, 56 households at/below 50% AMI, 10 households at/below 60% AMI and 7 market-rate households. The HTF award to the project was \$800,000 or less than 4% of the \$21.7 million total development cost.

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
1,600 rental units will be developed.	569 rental units of new construction with HTF, CDBG or HOME funds.
200 units will be rehabilitated and/or repaired.	353 rental units rehabilitated with HTF or HOME funds (does not include units repaired under HRRP).

**STRATEGY 7.**

**Provide and expand homeownership opportunities for households earning between 31 and 80 percent of the area median income.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 7.1 *(Make a 10-year commitment to increase Housing Trust Fund resources, including targets for preservation)* The capital budget for low-income housing was increased by \$2 million to \$80 million in the 2003-05 biennial budget.
- 7.2 *(Provide down payment assistance in partnership with the Washington State Housing Finance Commission, lenders and non-profit organizations to assist first time homebuyers to purchase homes)* The HTF provided funding for 34 households to receive down-payment assistance in 2004.
- 7.3 *(Provide support to organizations that offer sweat equity and self-help opportunities to households who earn up to 80 percent of the area median income to reduce the costs of purchasing a home)* The HTF provided funding for 45 households to participate in self-help housing programs.
- 7.8 *(Encourage a collaborative approach among land trusts)* In 2004, the CDBG Program awarded a \$276,578 Housing Enhancement Grant to fund infrastructure improvements in support of 10 single-family houses for the SHARE Community Land Trust project in the city of Leavenworth.
- 7.10 *(When appropriate for a community, encourage the conversion of Section 8 rent subsidies to be used by eligible families for homeownership)* The HTF participates in workshops and conversations with other public funders to encourage the use of Section 8 for homeownership.
- 7.12 *(Work with partners to improve consumer education and disclosures about lending practices)*

Specific Performance Measures 2004	
Measures	Accomplishments
Assist 130 first-time homebuyers with down payments.	34 homebuyers assisted with down payments.
Assist 50 units of housing created by "sweat equity" programs.	45 units of housing created by "sweat equity" programs.

**STRATEGY 8.****Preserve manufactured housing communities and enhance their stability.****Major accomplishments toward meeting the objectives of this strategy included:**

The Office of Manufactured Housing (OMH) helped stabilize manufactured housing communities by responding to over 623 requests for assistance from community residents in FY 2004. Technical assistance, coaching, problem solving and educational material were provided to help improve landlord-tenant relationships.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:***8.2 (Provide relocation assistance to park residents when their communities close)*

Relocation assistance was provided to all applicants who met eligibility requirements. During the calendar year 2004, 62 households received relocation assistance.

*8.5 (Provide statewide manufactured housing community manager training, certification and technical assistance)*

Formal training and outreach were not feasible due to lack of sufficient revenue for staff resources.

<b>Specific Performance Measures 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Formulate report method and create database to manage local zoning data collection.	None - new activities in the OMH have been limited due to decreasing sales and shipments of manufactured homes.
Provide relocation assistance from existing sources to 30 owners.	62 manufactured home owners received relocation assistance in CY 2004.

**STRATEGY 9.**

**Provide technical support to help communities with limited staff and resources, to develop cost-effective and competitive housing projects.**

**Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ In 2004, the CDBG Program set-aside \$500,000 in planning funds to support a wide range of locally-prioritized planning projects that principally benefit low- and moderate-income persons. The CDBG Planning-Only Grant program funded several planning activities totaling \$88,000 in support of low-income housing, including two housing needs assessments and a shelter program study.
- ❑ The WSHFC has trained more than 400 people in the basics of financing nonprofit projects and over 1,000 housing management professionals statewide.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

9.2 (*Continue funding of the One-Stop Development Center*) The One-Stop Center responded to 319 calls for an average of 27 calls per month in 2004.

9.7 (*Sponsor regional and statewide workshops and conferences in collaboration with the WSHFC and other appropriate state and local agencies*) CTED, the WSHFC and the Washington Low Income Housing Alliance sponsored Housing Washington: Building a Place for Everyone conference. The conference has expanded participation to more than 785 with attendees from as far away as Buffalo and North Carolina.

<b>Specific Performance Measures 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Provide technical assistance through the Housing Resource Team (HRT) to 12 projects by December 2001.	Six organizations continued to receive assistance through Impact Capital.
Provide two targeted workshops.	Provided 2 workshops statewide to prospective applicants to the Housing Trust Fund.
Co-sponsor annual housing conference with WSHFC.	Co-sponsored the statewide Housing Conference with WSHFC with representation from the broad spectrum of affordable housing interests, not just of Washington, but also the affordable housing industry that exists on the West Coast.



**STRATEGY 10.**

**Provide leadership and incentives to developers and lenders for increasing opportunities for African-American, Hispanic and Native American households to become homeowners.**

**Progress toward the specific initiatives of the Plan (with reference to the Initiative Number) included:**

*10.1 (Work with lenders to develop general information in multiple languages on the requirements of the home buying process, including how credit is reported, analyzed and other requirements for financing the purchase of a home)* CTED staff continues to work closely with the Community Homeownership Center in promoting education on the home buying process.

*10.2 (Work with the Housing Finance Commission and other organizations that provide first time homebuyer education to develop information on the Fair Housing Act to include in educational programs)* The annual Housing Washington conference continues to offer workshops on a number of fair housing issues and educational programs.

*10.3 (Provide information through annual updates on locations and services of first time homebuyer programs and lenders with special programs for non-English speaking buyers)* The WSHFC continues to serve a diverse population in their homebuyer education seminars. In 2004 they conducted 58 seminars to 547 attendees in a language other than English.

<b>Specific Performance Measures 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Publish and disseminate a booklet on the requirements of the home buying process, and other requirements for the purchase of a home in December 2001. Publish the information in multiple languages.	CHOC continues to provide the regional resource guide in multiple languages.
Include Fair Housing Act information in all first-time homebuyer education programs on a consistent basis.	The Fair Housing Act is included in the information provided by WSHFC and CHOC to first time homebuyer programs. All classes include a presentation on The Fair Housing Act.
Annually publish a schedule with location and services of first-time homebuyer programs for non-English-speaking buyers.	CHOC and WSHFC publish a schedule of their classes and services for non-English speaking on their website and in local newspapers.

**STRATEGY 11.****Coordinate Low Income Housing Tax Credit (LIHTC) with development of housing affordable to low-income and moderate-income families.****Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ In support of a tax credit housing project, CDBG awarded a \$348,000 Housing Enhancement Grant to fund the Rosehaven Cottages that provide 25 units of multi-family rental housing for low-income seniors in the city of Walla Walla.

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*11.1 (Participate in WSHFC-convened focus groups to discuss revisions to allocation criteria for LIHTC program)* CTED staff participated in the WSHFC focus groups to discuss revised allocation criteria for the 2005 WSHFC program year.

*11.6 (CTED will continue to include WSHFC staff on HTF application review panels)* A WSHFC representative participated in the HTF Resource Allocation meetings during spring and fall 2004 HTF application rounds. The HTF Resource Allocation reviews and recommends approval of HTF projects during each HTF application round.

Specific Performance Measures 2004	
Measures	Accomplishments
Establish shared monitoring plan by July 2001.	A memorandum of agreement is signed each year with the WSHFC to renew commitments to share monitoring reviews of projects that have been jointly funded.
Include staff from WSHFC in two Housing Trust Fund application review rounds (Spring and Fall 2004).	See initiative 11.6 above.

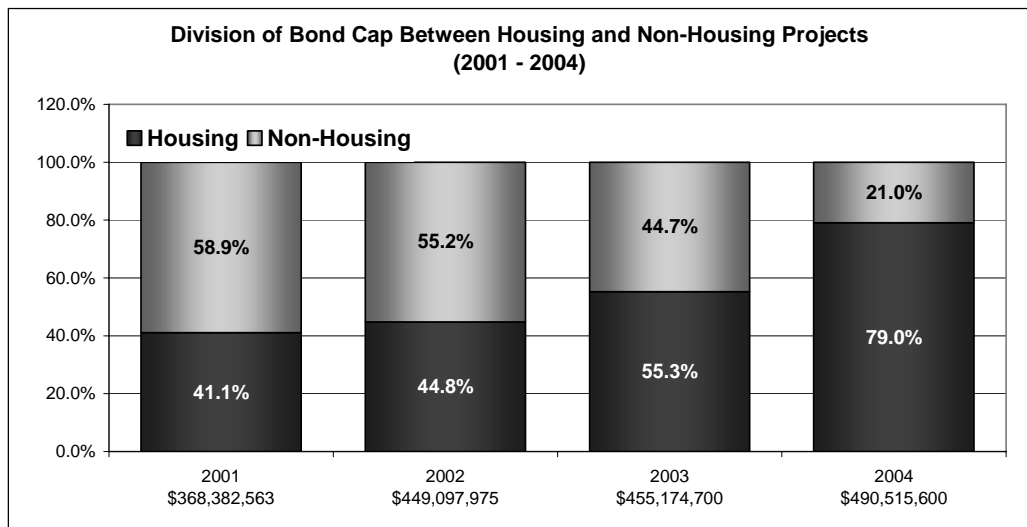
## Goal II. Promote Housing Opportunities that Contribute to the Development of Healthy, Sustainable Communities

### STRATEGY 1.

Create increased homeownership and rental housing opportunities for households earning between 80 and 120 percent of the area median income—in areas of rapidly increasing growth or high market areas, and households earning 100 percent of the area median income in rural and Eastern Washington areas.

#### Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:

- 1.4 *(Increase the percentage of the bond volume cap for housing if there is an overall increase in the volume cap)* A substantial portion of the available bond cap continues to be used to develop affordable housing. In 2004, 79 percent of the total state bond cap went to finance affordable housing. As shown in the chart below, this percentage was abnormally high, partly due to weak demand in other categories in response to low interest rates and lack of need under PUDs. While we expect the housing portion of the cap to maintain similar growth trends to prior years, it will likely drop closer to pre-2004 levels over the long term, particularly as interest rates rise.



- 1.5 *(As part of homebuyer education, include more information about other options to purchase homes)* The WSHFC conducted 691 homebuyer education seminars statewide for 8,347 first time homebuyers and trained 479 seminar instructors (lenders, real estate professionals and representatives of nonprofits) to teach homebuyer education classes.

- 1.14 *Work with state and federal regulators, examiners, lending officials and secondary marketing analysts to develop new guidelines that would encourage lending on affordable housing)* The Web site ([www.cted.wa.gov/affordablebydesign](http://www.cted.wa.gov/affordablebydesign)), developed by Pyatok Architects Inc. with RedStream Design & Multimedia, provides a centralized source of information for local governments, land-use planners, developers, planning commissions, elected officials, citizens, and housing financiers.

**STRATEGY 2.**

**Work with jurisdictions throughout the state to ensure that urban densities and affordable housing goals described in local comprehensive plans are achieved.**

**Establish benchmarks to measure progress.**

**Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ During 2004, three laws were passed by the Washington State Legislature and signed by the Governor that will help to provide affordable housing in the state.
  - SB 6593 requires that manufactured homes built to federal regulatory standards be subject to the same siting regulations as site-built homes, factory-built homes, or homes built to any other state construction standard. It grants authority to local governments to enact a limited range of regulations specific to manufactured homes with respect to siting, installation, and design. It is expected that more manufactured homes will be sited in individual lots in Washington communities because of the law. Communities that do not allow manufactured housing on individual lots are reviewing their ordinances in relationship to the new law. The Washington Manufactured Housing Association has offered information to the following communities: Pasco, Ocean Shores, Lacey, Kennewick, Kent, Bellingham, Westport, Edgewood, Benton City, Long Beach, and Shelton.
  - SB 6476 provides that the elimination of existing manufactured housing communities on the basis of their status as a nonconforming use is prohibited.
  - SB 5536 defines a condominium's implied warranty and sets up a warranty insurance program. Condominium owners must show that construction problems are significant and caused by defective materials, engineering or construction, or by builders not following codes. The law applies to condominiums built after July 1, 2004. It is expected that more builders will be re-entering the condominium market because of the new law.
- ❑ In September of 2004, Growth Management Services issued a guidance paper, "Urban Densities – Central Puget Sound Edition," because stakeholders asked for direction on how to achieve density in local communities. The paper points out that the Growth Management Act (GMA) doesn't define urban density but has numerous references to urban growth. To assist local governments, a discussion of calculating density is included. Flexible development to achieve urban densities – such as density bonuses, clustering, and narrow street widths – are also listed. The paper describes growth management hearing boards cases on density, including rulings by the Central Puget Sound Growth Management Hearings Board that have indicated that densities at four dwelling units or higher are considered compact urban development.
- ❑ Many local governments continue to make progress under the state's GMA in increasing the densities in their downtowns and other urban areas. This includes large cities such as Seattle, Tacoma, and Renton and smaller cities such as Bainbridge Island, Issaquah, Poulsbo, and Camas. CTED's Growth Management Services works with these communities and others throughout the state as it reviews comprehensive plans and development regulations to ensure that urban densities and affordable housing goals are achieved. During 2004, Growth Management Services received 1,024 documents for review; 607 of these were development

regulations, 406 were amendments to comprehensive plans, and 11 were amendments to county-wide planning policies. Staff reviewed and commented on 135 of these documents.

- In CY 2004, 99 local governments adopted amendments to their GMA comprehensive plans. About half of those communities included amendments to the Housing Element of their plan. This included a review or a review and update of the Housing Element. Some made housing-related amendments to other elements of the comprehensive plan. Among the amendments were the following:

**Thurston County** updated its housing needs assessment and added an objective on special needs housing.

**Bainbridge Island** broadened policies to include more tools for affordable housing, including cottage housing and accessory dwelling units. New goals relating to the financing of affordable housing and the monitoring of the city's housing programs were added.

**Wenatchee** adopted a waterfront subarea plan with a Waterfront Mixed Use Zone and Pedestrian Overlay Zone. The Land Use Element was amended to provide opportunities for mixed-use development where an appropriate mix of commercial, residential, and/or industrial uses can coexist.

**Renton** added a new housing strategy that encourages housing types that protect privacy, provide landscaping, or other buffering features between structures of different scale or density. The city also added a Design Element to the comprehensive plan.

**Tukwila** added housing strategies: (1) to allow limited demonstration projects such as clustered or cottage housing and (2) to continue to improve rental housing.

**Steilacoom** approved a conditional allowance of multifamily buildings in the Commercial General zone.

**Bellevue** added policies to: (1) enable demonstration projects that would serve as a model for housing choices currently not being built in Bellevue; (2) review land use codes to remove barriers or unnecessary standards that discourage affordable multifamily housing; (3) refine affordable housing incentives so that they are more successful; (4) reassess city guidelines about every five years for use of the Housing Trust Fund to ensure they are consistent with changing community needs and priorities; and (5) explore financial incentives to encourage affordable multifamily housing, such as partial exemptions from city permit fees and use of the state property tax exemption program.

**Roy** adopted a new goal on good design in residential developments along with policies that (1) require new housing to take pedestrian needs into account, such as by providing sidewalks and by orienting porches to the street and (2) promote a girded, small-block street pattern in new subdivisions.

**Jefferson County** updated its housing statistics and added an action item on coordinating and promoting an economic development strategy that creates adequate income for home ownership.

**Camas** added a policy that residential structures occupied by persons with handicaps shall be treated the same as residential structures occupied by a family or other unrelated individuals.

**La Center** added a policy that the city shall adopt implementation measures to assure that new residential development shall occur at an average density of four units per net acre.

**Issaquah** added child group care to the types of special needs housing allowed.

**Kirkland** analyzed its housing and employment capacities and determined the actual density of housing development.

**Redmond** updated its housing statistics and adopted innovative housing techniques.

**Gig Harbor** developed projected housing need by unit type.

**Hartline** updated its housing statistics.

**Sumas** added a multifamily housing policy.

- ❑ In addition to review of plans and regulations, another part of Growth Management Services' technical assistance efforts is to provide grants to local governments. The following are some of the local governments in Washington that worked on housing issues in FY 2004 using growth management grants:

**Bellingham** used its \$45,000 grant to develop technical information for use as the basis for new residential zoning regulations. A report was developed to provide regulatory recommendations based on housing types, rather than zones, so the regulations could be applied to any existing or new residential zoning categories. Information posters and handouts illustrating different housing types and how they could fit into neighborhood blocks were developed and distributed at the growth forum planning fair. An illustrated questionnaire regarding housing types and certain development regulations was also distributed to fair participants and is being used with neighborhood groups to gauge acceptance of alternative single-family housing types and design standards.

**Everett** received a \$45,000 grant to update the Land Use and Housing elements of the comprehensive plan. Background information was developed, a Visioning Committee created, redevelopment opportunities identified, and an implementation plan developed. The concepts were refined into recommendations for draft Land Use and House elements for the plan.

Part of **Kirkland's** \$30,000 GMA Update grant was used to complete a housing and employment capacity analysis to determine if the city can meet its 2022 growth targets for the most recent ten-year forecast by the Office of Financial Management and as allocated by the King County Growth Management Planning Council.

**Lynden** used part of its \$15,000 grant to offer two public forums to gather the community preferences on housing and land use. A visual preference survey and value statements were used to determine the participants' opinions on different housing types and land use scenarios. This information has been used by the planning commission and staff to update the city's goals and policies as they relate to housing and density targets.

Part of **Tacoma's** \$60,000 GMA Update grant was used to update the Housing Element of the comprehensive plan. The city's Land Use Regulatory Code was revised to accommodate the needs of the community and ensure that the regulations continue to be consistent with the comprehensive plan. Among the housing related issues addressed in the regulatory update

include: historic district compatible zoning and mixed-use center development.

- ❑ During 2004, Growth Management Services continued to work with other stakeholders to develop a proposal for a statewide benchmarking system that will measure how growth management is working. Among the indicators being proposed is one on affordable housing. During CY 2004, Growth Management Services staff wrote two reports on selecting indicators for a benchmarking program.
- ❑ In the CTED 2005-07 budget proposal, Growth Management Services listed the following performance measure related to density: Average percentage of new development occurring within the urban growth areas in five of the most populous counties in Western Washington (King, Snohomish, Pierce, Thurston, and Clark). Growth Management would report annually a specific percentage for each county in performance measures comments.

### **Progress toward the specific initiatives of the Plan:**

#### *2.1 (Provide incentives for jurisdictions to re-zone for higher densities)*

The state has a property tax exemption program to encourage multifamily housing as part of downtown redevelopment. A number of communities have adopted the program and projects have been attracted to their downtowns. In FY 2004, Burien and Kirkland were among the local governments that adopted the program. Similarly, state housing tax credits for lower-income housing spur the development of hundreds of units of housing each year.

#### *2.2 (Create a slide show of successful community design stories for public education to educate communities about possibilities)*

Growth Management Services maintains a photo library of slides and photos. The photos were used during CY 2004 in newsletters, fact sheets, PowerPoint presentations, and on the agency Web site to illustrate good design.

CTED, in cooperation with the Washington Chapter American Planning Association, offers communities the services of a Community Assistance Team. The teams include planners with expertise in land use, transportation, economic development, urban design, natural resources, parks and recreation, historic preservation, and other areas. The teams are organized to suit local needs and work on a one-day project that will leave the community with a tangible product. Problems could include design issues or local planning issues such as the location of a new park.

#### *2.4 (Ensure that the housing elements of comprehensive plans clearly describe housing targets, density targets, jobs-housing balance goals, and the actions being taken to meet those targets and goals)*

This is part of the review that growth management planners undertake when local governments send in draft comprehensive plans and regulations. In 2004 (CY), Growth Management Services received adopted comprehensive plan amendments from 99 local governments. About half of these communities amended the Housing Elements of their comprehensive plans. Among the development regulations adopted were:

- Burien adopted a Multifamily Tax Exemption Program.

- Kirkland's new incentives for affordable housing include: (1) waiver of plan review fees in exchange for the construction of affordable housing units; (2) density bonuses for multifamily housing; and (3) adoption of the multifamily housing property tax exemption program in designated residential targeted areas.



## Goal III. Fair Housing: Affirmatively Further Fair Housing in Washington State

### STRATEGY 1.

**Align state housing administrative policies and practices to further fair housing choice.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

#### *1.2 (Strengthen monitoring of contractor compliance to affirmatively further fair housing)*

The Compliance and Asset Management Section in CTED monitored 90 HOME funded projects for compliance with Fair Housing requirements, applying the HUD HOME Program Monitoring Guidelines for all housing projects funded through CTED's Housing Division. Among the areas covered are contractor data requirements, equal employment practices, complaints, affirmative marketing policies and outreach efforts.

In 2004, the CDBG Program conducted two CDBG Management Workshops, distributed the CDBG Management Handbook and conducted on-site monitoring visits to assist local government grant recipients in complying with Fair Housing requirements and affirmatively further fair housing locally. Fair Housing brochures and posters were distributed to CDBG local government recipients.

Specific Performance Measures for 2004	
Measures	Accomplishments
Disseminate management handbook to grantees in all Housing Finance Unit programs on how to affirmatively further fair housing by June 2001.	No specific actions taken during the reporting period.
Explore ways to strengthen monitoring system to assure contractor compliance with affirmative housing obligations in Housing Finance Unit programs, by June 2001.	An evaluation of Housing's monitoring system continues.
Work to establish an interagency fair housing workshop and convene the first meeting by June 30, 2001.	Fair Housing Act information is included in the Washington State Housing Finance Commission first time homebuyer programs and all written information distributed by WSHFC and Community Homeownership Center.

**STRATEGY 2.**

**Take a pro-active role in helping local governments define ways to site special needs and affordable housing.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*2.1 (Assist local governments to develop plans and regulations that provide for reasonable siting of necessary group care housing that may include incentives such as reduced sales tax burden or acceleration of regulatory review.*

In 2004, local governments have continued to improve the language in their ordinances and comprehensive plans related to the siting of special needs facilities as they have since the GMA was passed in 1990. Some examples include:

- Thurston County added an objective on special needs housing to its updated comprehensive plan.
- Issaquah added child group care in its comprehensive plan amendment to the types of special needs housing allowed.

*2.2 (Provide incentives and penalties for local government achievement of special needs and affordable housing goals as reflected in their growth management plan)* Growth Management Services' staff offer technical assistance to local governments on affordable housing. Here are some actions by local governments in the state during CY 2004 to carry out their affordable housing goals:

- The cities of Redmond and Kirkland adopted several provisions to promote innovative housing techniques.
- Seattle enacted an ordinance to reduce parking standards for affordable housing projects.
- Land for an affordable housing project was set-aside at the Taluswood Master Planned Development in Issaquah through the efforts of ARCH cities.
- The historic Oakland Block in Bellingham was renovated to offer 20 low- to moderate-income housing units plus commercial and office space.

**STRATEGY 3.**

**Provide training to state agencies, local government, and housing service providers in fair housing laws with special emphasis on laws requiring reasonable accommodation for people with disabilities.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*3.1 (Provide periodic training to state agency staff on ADA requirements)*

No specific action taken during the reporting period.

*3.1 (Provide periodic training to nonprofit and other housing groups on ADA requirements)* In 2004, the CDBG Program conducted two CDBG Management Workshops, distributed the CDBG Management Handbook and conducted on-site monitoring visits to assist local government grant recipients in complying with the Americans with Disability Act (ADA) and Section 504 requirements.

Specific Performance Measures for 2004	
Measures	Accomplishments
Hold two training sessions on the ADA for state agency staff and housing contractors.	No specific action taken during the reporting period.

**STRATEGY 4.****Work with landlords to accept Section 8 vouchers.****Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 4.2 *(Break down negative attitudes relating to Section 8 and other rental assistance programs)*  
CTED contracts with the Low Income Housing Alliance to collect and report information about federally-assisted housing and to educate tenants, landlords, housing providers and public officials about this housing.

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Make presentations to major statewide realtor groups by December 2001.	No specific action taken during the reporting period.
Include fair housing topics in most or all state-sponsored housing conferences or forums on an annual basis.	<p>CTED participated in a statewide conference to develop a 2005 - 2011 plan on civil rights convened by the Washington State Human Rights Commission. The conference, attended by more than 200 people from around the state, was a great success in gaining agreement on Washington's preferred civil rights future and in taking the first steps toward creating an Action Plan with short and long-range goals designed to move towards ensuring civil rights for all citizens in Washington State.</p> <p>A component of the state's Civil Rights Plan involved housing. The overall goal is to ensure quality affordable housing for all/integrated neighborhoods. Some of the suggested initiatives are to pass legislation establishing housing as a fundamental right, encouraging greater enforcement of the Growth Management Act, and training local activists to engage in fair housing planning efforts.</p> <p>The next steps in this process is to formulate workgroups to help refine and clarify each of the goals and objectives in the plan and then create a leadership task force to begin implementation of the plan,</p>

**STRATEGY 5.**

**Work with the lending community to reduce the incidence of abusive lending or predatory lending in low-income and minority neighborhoods.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
Meet with lenders and housing providers to identify ways to limit predatory lending practices.	Media campaign continued to provide information and education on predatory lending issues including payday lending and illegal mortgage practices.

## Goal IV: Remove or Mitigate Negative Effects of Policies that Serve as Barriers to Affordable Housing

**STRATEGY 1. Work with local jurisdictions to change zoning to (a) allow placement of manufactured housing in all single-family neighborhoods, and (b) increase opportunities for preservation and establishment of manufactured-housing communities.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 1.1 *(Work to establish by state law, under appropriate conditions and standards, manufactured housing as a permitted dwelling unit under local zoning and prohibit communities from enacting ordinances forbidding manufactured housing)* No action taken in 2004 due to the enactment of legislation, Senate Bill 6593, in March 2004.
- 1.2 *(Assist with efforts to eliminate local zoning restrictions that remain in some cities on the placement of manufactured housing in mobile home parks.)* No action taken in 2004 due to lack of revenue to support this activity.

Specific Performance Measures for 2004	
Measures	Accomplishments
Beginning July 2001, work with the Washington Manufactured Housing (WMH) Association and local jurisdictions to develop a plan to increase manufactured homes in single-family neighborhoods.	Legislation was passed by the Washington Manufactured Housing Association in March 2004 ensuring that land use regulations and ordinances do not unfairly discriminate against manufactured housing. Furthermore, the Office of Manufactured Housing has been providing technical assistance and educational information on the new requirements of SB 6593 that will take effect July 1, 2005.

**STRATEGY 2.**

**Support local efforts to streamline building permit review and approval processes, to reduce time required to process, in order to minimize development time and costs associated with project review and permitting.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*2.1 (Assist local jurisdictions to pre-permit sites to make them housing ready)*

During CY 2004, the Washington State Legislature passed and the Governor signed SHB 2781, a new law that allows local governments planning under the GMA to request expedited review from CTED to proposed changes to development regulations. The law is designed for those instances where a jurisdiction must move faster than usual 60-day comment period for CTED, and the regulation is not the type of regulation that the state usually would comment on (such as a sign ordinance). After consultation with other state agencies, CTED developed a process for handling expedited review.

Some excellent work has been occurring in Washington on integrating land-use planning and environmental review. A number of local governments have undertaken subarea-planning projects that feature expedited environmental review and permitting. Communities in the state are continuing to work on ways to speed up the permit process.

*2.4 (Work with local governments to expand outsourcing of code review processes when backups occur and to use management techniques to enhance predictability, coordination, and certainty to the permit process)*

One of the goals of the GMA is that applications for both state and local government permits should be processed in a timely and fair manner to ensure predictability. In addition, permit streamlining is encouraged by Washington state's regulatory reform laws. Through its technical assistance program, Growth Management Services encourages local governments to meet these state goals and laws.

Some of the local governments that have made improvements to their permit systems include: Tacoma, Renton, DuPont, Sumner, Spokane, Mill Creek, Seattle, Vancouver, Redmond, Everett, Tukwila, and Mercer Island.

In 2004, the Washington State Legislature passed and the Governor signed HB 2811 [RCW 36.708.080(2)(b)(vi) and RCW 36.70B.080(2)(c)], which requires that local government establish and carry out permit timelines for each type of project permit. In addition, the law requires an annual report on permitting. The report is to be posted on the city or county's Web page, if the jurisdiction maintains one.

The law applies to the counties in the Buildable Lands Program, the six fastest growing counties in Western Washington – King, Kitsap, Clark, Thurston, Pierce, and Snohomish.

Additional annual report requirements under HB 2811 include: Mean processing time for each type of project permit application. Number standard deviation from the mean for each type of project permit application.

HB 2811 also required CTED to prepare a report summarizing the projected costs to local governments associated with carrying out the annual report requirements and providing recommendations for state funding assistance for implementation costs. This new law will help evaluate how local government permitting is carried out and allow lawmakers to make revisions to expedite permitting.

In other legislative action relating to permitting, SSCR 8418 sets up a joint legislative task force to make recommendations on permit processes by January 1, 2006. The committee will evaluate local development regulations of selected jurisdictions among the buildable lands counties and their cities over 50,000.

Part of Growth Management Services' technical assistance efforts is to work with local governments on regulatory reform, including permit streamlining. Planners meet with local government representatives on a regular basis to discuss important issues, including consistency and predictability in permit processing.



**STRATEGY 3.**

**Partner with federal and local governments to implement Endangered Species Act (ESA) standards to expedite review and approval process.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

- 3.1 *(Work with affected jurisdictions to coordinate checklists for determination of project effects)*  
Growth Management Services continued to provide technical guidance documents and workshops on the use of these environmental analysis tools.

In 2004, the CDBG Program conducted two CDBG Management Workshops, distributed the CDBG Management Handbook and conducted on-site monitoring visits to assist local government grant recipients in complying with the State Environmental Policy Act (SEPA), National Environmental Policy Act (NEPA) and Endangered Species Act (ESA).

Specific Performance Measures for 2004	
Measures	Accomplishments
Collaborate with HOME participating jurisdictions to develop a checklist for non-participating jurisdictions.	Continued efforts to coordinate ESA-related review with local governments and develop ESA review tools for rural areas.

**STRATEGY 4.****Allow any degree of renovation to existing housing.****Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*4.1 (Work with local jurisdictions to allow any degree of renovation that is consistent with safety, short of compliance with the full code)*

Port Townsend looked at this several years ago as did Seattle. Other local governments may be studying this.

## Goal V. Enhance Coordination

### **STRATEGY 1.**

**Enhance coordination between public and assisted housing providers, and private and governmental health, mental health, and service agencies.**

#### **Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ In partnership with the Washington State Association of Counties and the Washington Growers League, CTED initiated a series of regional “roundtable” discussions to discuss the need for seasonal farmworker housing and to identify local strategies to address those needs. Nine meetings were scheduled in various agricultural regions across the state. Invitees included growers, farmworker advocates, nonprofit housing and technical assistance providers, housing authorities, local, state, and county elected officials, local planning and community development staff, and state and local health officials. The objective of the meetings is to improve the coordination of state and local resources and to be more strategic in addressing locally-identified needs related to farmworker housing.
- ❑ CTED, the Seattle/King County, and Snohomish County homeless continuums of care joined together to jointly adapt a common Homeless Management Information System software system that is compliant with the draft HUD data standard.
- ❑ CTED continues to serve on a Supportive Housing Steering Committee that is designed to transform the current service delivery system into a more integrated system that delivers finances and services for people who are homeless.
- ❑ CTED sits on boards and commissions of other organizations such as the WSHFC and the Washington Community Reinvestment Association, which serves to foster information sharing, collaborative action, and unified advocacy.
- ❑ The HTF continues to participate in a public funders’ group that is comprised of managers from local government and other public funding organizations. This group works to problem-solve issues relating to housing policy and financing.
- ❑ The HTF also continues to rely on a Policy Advisory Team made up of non-profits, public funders, private lenders and the Department of Social and Health Services to provide recommendations regarding administration of the HTF.

#### **Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

- 1.2 (CTED will work with DSHS to identify a funding source for operating and maintenance support for projects for people with developmental disabilities)* Nine projects received commitments totaling \$484,285 per year through the state's Operating and Maintenance Fund program that was created in 2002. There are 10 more projects that will be coming on line in 2005-2006. Funding for these projects, in addition to the current 9, will total \$702,639 per year.

- 1.9 *(CTED will work with public housing authorities to ensure Public Housing Authority plans are consistent with the State Consolidated Plan)* CTED continues to review Public Housing Authorities' Five-year plans, to assure they are consistent with the state's Consolidated Plan.

## **B. Homelessness—Toward a Continuum of Care**

### **Point in Time Count of Homeless Persons**

In January 2005 CTED organized a point in time count of homeless persons in the Balance of State Continuum of Care. The point in time count was the second multi county count attempt in Washington State.

The count not only collected numbers of homeless persons, but also collected information on disabilities, length of time homeless, location where they became homeless, and income. This rich source of data has just begun to be tapped by state and local continuum planning groups in their collective efforts to address homelessness.

Beyond the valuable information on homelessness provided by the count, the count process has also contributed to our Homeless Management Information deployment effort. The count was actually performed using the HMIS system, which provided every community in the continuum a chance to learn how to use the system, and provide us feedback on how it can be improved. This trial run of the HMIS helped validate our approach to HMIS deployment, training and support.

### **Homeless Management Information System**

The CTED Balance of State, the Seattle/King County, and Snohomish County continuums of care have joined together to jointly adapt a common HMIS software system to the draft HUD data standard. The joint effort to address the HMIS requirements has enhanced cooperation between continuums, and led to the continuums now exploring additional ways continuum efforts can be further integrated.

Other notable events and activities in 2005 were:

### **Emergency Shelter**

- ❑ The Emergency Shelter Assistance Program provided 1,224,528 bed nights of shelter in 2004. No significant change in the amount of shelter provided from last year.
- ❑ Through its partnership with rural counties and local community action agencies, CDBG funded \$42,385 for public services in support of emergency shelter activities.
- ❑ Through its partnership with rural counties and local community action agencies, CDBG funded \$346,137 for public services that respond to household emergencies and disasters with direct relief and referrals to existing community programs, including one-time payments or short-term loans to families or individuals; legal assistance; shelter; clothing; intervention in emergencies resulting from child, spouse, alcohol or drug abuse; emergency medical and/or dental services; and/or cash support.

### **Transitional Housing**

- ❑ In 2004 HUD awarded over \$4 million dollars to the Balance of State Continuum of Care for 26 projects serving non-urban counties in Washington State. It represents a growing trend to join together in a greater planning effort to coordinate services to people who are homeless. Rather than continuing smaller regional planning efforts, more and more jurisdictions are joining the state's Continuum of Care planning group to take advantage of the existing capacity to pull together diverse communities into a cohesive and focused group dedicated to

maximizing our collective strengths and bringing in new resources to the more rural areas of our state.

- ❑ The state's Transitional Housing, Operating and Rent Assistance (THOR) program enrolled an additional 722 new families in 2004 bringing the total served to 1,356 for the year.
- ❑ The HTF funded an additional 73 units of transitional housing for people who are homeless in 2004 representing a 74.8 percent decrease from last year. This reduction is due to several factors including size of projects funded, number of projects funded and amount of available funding.
- ❑ Through its partnership with rural counties and local community action agencies, CDBG funded \$53,191 for public services in support of transitional housing activities.

### **Permanent Housing**

- ❑ The HTF funded an additional 155 units of permanent housing for homeless or formerly homeless people, as follows:
- ❑ The HTF awarded \$1.5 million to Behavioral Health Resources to develop 34 units of permanent housing for persons who are chronically mentally ill.
- ❑ AIDS Housing Association of Tacoma was awarded \$198,121 to develop 8 units of permanent housing for chronically homeless individuals living with HIV/AIDS.
- ❑ The Housing Authority of the City of Bellingham received \$490,000 in an HTF award to develop, in part, ten units of permanent housing for formerly homeless persons.
- ❑ The HTF awarded \$79,000 to Inland Empire Residential Services to develop, in part, 1 permanent housing unit for an individual in the later stages of recovery from alcohol and/or substance abuse.
- ❑ The Housing Authority of the City of Tacoma received an HTF award of \$1.5 million to develop, in part, 18 units of permanent housing for homeless persons.
- ❑ Plymouth Housing Group was awarded \$2 million from the HTF to develop 84 units of permanent housing for homeless individuals. Many tenants will also have special needs such as mental illness or HIV/AIDS.

## **System Development**

- ❑ A new Washington Families Fund (WFF) will award matching grants to local governments and nonprofit organizations to expand the availability of supportive housing, an effective model for helping homeless families, by providing stable long term funding for housing based services. The WFF was established by the legislature in 2004 (ESHB 2459) to provide matching funds for services to help families experiencing homelessness move successfully to stable housing and self-sufficiency.

The fund received an appropriation of \$2 million from the state general fund. The WFF will support comprehensive and individualized case management services to homeless families participating in supportive housing programs.

Programs may provide a range of additional services that are tailored to address the families' needs. These services could include literacy, job training, assistance in recovery from domestic violence and other trauma, referrals to mental health and substance abuse treatment, financial management and basic living skills, childcare, transportation assistance, parenting skills education and training and other supportive services.

## C. OTHER SUPPORTIVE ACTIONS

### I. Lead-Based Paint Plan

#### **STRATEGY 1.**

**Evaluate and reduce, as well as educate residents and workers about, lead-based paint hazards in housing, and in receiving state and federal assistance.**

#### **Major accomplishments toward meeting the objectives of this strategy included:**

- ❑ Administrative regulations (WAC 365-230) were adopted for the administration of the state Lead-Based Paint Program.
- ❑ The transfer of authority from the Federal government (Environmental Protection Agency) to the state of Washington to administer the Lead-Based Paint Program took place on June 10, 2004.
- ❑ The first statewide Lead Roundtable was convened at SeaTac on November 16, 2004.

#### **Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

2. (Provide input on lead-based paint draft rules being developed by the EPA that will apply to CTED's weatherization program) No change in the status or progress of EPA's Lead-Based Paint Renovation and Remodeling regulations.
3. (*Coordinate the development of comprehensive policies and procedures on lead-based paint for CTED's housing programs*) Lead-based paint policies were included in the Washington State Low-Income Weatherization Assistance Plan for 2004. Policies were also included in the new Home Repair and Rehabilitation Program Inspection Form and Guidance documents.
5. (*Seek additional funding from state and federal resources to increase the number of trained and certified lead-based paint professionals working as local agency contractors and to increase the number of units mitigated*)
  - CTED secured \$400,000 in operating fund through a grant from EPA for the FFY ending September 30, 2005.
  - CTED applied for a \$3,000,000 Lead-Hazard Control grant from HUD.
  - As of December 31, 2004, CTED had licensed 232 Lead-Based Paint certified individuals and 81 Lead-Based Paint certified firms.
6. (*Educate housing authorities and others on how to identify and reduce the hazard of lead based paint*) The Building Performance Center's Peer Circuit Rider Training (CTED contractor) includes ongoing training modules on Lead-Safe Weatherization, Work Practices, Containment, Cleanup and Worker Protection. This training is available to CTED's 26-agency weatherization and rehabilitation network served by the Housing Improvements and Preservation Unit. (Same as last year)



7. *(Ensure contractors meet the requirements to educate residents)* CTED's Housing Improvement Unit (HIP) staff monitors CTED contractors' home project files for compliance with the requirements to educate residents about potential lead-based paint hazards in their homes. The publication titled, "Protect Your Family from Lead in Your Home," published by EPA, HUD and the Consumer Product Safety Commission, is given to each homeowner involved in a weatherization or rehabilitation project to ensure compliance with the requirements to educate residents. Signed notification forms are available in all tenant files for multi-family projects and in homeowner files for weatherization and rehabilitation single-family projects. Notification is also posted in the office of every multi-family project location. (Same)
8. *(Provide technical assistance and training to its contractors to assess and mitigate lead-based paint hazards in projects)* Classes were provided in 2001, and the HIP Unit continues to provide ongoing training through the Peer Circuit Rider contractor and technical assistance by HIP Unit staff. (Same)
9. *(Prioritize pre-1978 units with children age six years or younger living in them for monitoring by the Tenant Based Rental Assistance (TBRA) and Housing Opportunities for Persons with AIDS (HOPWA) programs.)* CTED monitors housing units in both the TBRA and HOPWA housing programs. This monitoring conforms to Federal Housing Quality Survey (HQS) guidelines. A minimum of 25 percent of the housing units in these two programs occupied by one or more children under the age of six are monitored by CTED.
10. *(Monitor 25 percent of the pre-1978 low-income housing units where contractors have performed moderate rehabilitation. For substantial rehabilitation performed with HOME funds, all projects will receive a Phase I closeout within 90 days of completion and compliance with the 2003 HUD lead-based paint regulations will be verified)*
  - HIP Unit Home Repair and Rehabilitation Program technical field staff monitored 80 percent of the pre-1978 low-income housing units where contractors have performed moderate rehabilitation, for compliance with lead-based paint regulations
  - All substantial housing rehabilitation projects performed with HOME funds are monitored for compliance with HUD lead-based paint regulations (24 CFR 35) by CTED's Compliance and Asset Monitoring (CAM) unit.
11. *(Update data reporting systems to track lead-based paint activities and demographics by July 2001)* Administrative regulations require that the LBP Program be notified in advance of any LBP abatement projects and LBP training courses. CTED is tracking electronically these notifications and is in the process of developing an integrated database to cross-reference additional licensee information. The LBP Program will copy CTED's CAM Unit on all abatement notices so that appropriate action can be taken if target properties are involved.

<b>Specific Performance Measures for 2004</b>	
<b>Measures</b>	<b>Accomplishments</b>
CTED monitoring of contractor project files will show 95 percent compliance with education standards.	40 Home Repair and Rehabilitation Program (HRRP) files monitored showed 95 percent compliance with the education standards.
Owners of assisted programs will receive lead-based paint education.	<p>A minimum of 95 percent of HRRP and Weatherization contractors notified homeowners in pre-1978 homes served.</p> <p>TBRA and HOPWA contractors receive technical assistance from CAM Unit field staff on lead-paint hazards, lead-safe maintenance practices, and hazard remediation. The Lead-Based Paint Program provided a training for TBRA contractors on lead-based paint regulations, hazards, and lead-safe work practices</p>
Number of units receiving lead-based paint hazard reduction activity is increased.	49 HRRP pre-1978 units with lead-based paint have received hazard reduction activities this year.

## II. Anti-poverty Strategy—Poverty in Washington State

**STRATEGY 1. Coordinate housing, supportive services, and WorkFirst activities so that they have a larger impact on poverty.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) included:**

*1.1 (Improve the integration of support services into housing development projects)*

The Affordable Housing Advisory Board completed their five-year plan in November 2004. An element of this plan is strategies to promote supportive housing and better coordination between existing service dollars that serve priority populations and housing resources designed to serve the lowest income populations. AHAB will pursue these and other strategies over the next five years to achieve safe and affordable housing for all Washington citizens.

**STRATEGY 2.  
Increase access to education and employment for low-income families.**

**Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

*2.3 (Provide funding for services that support the continued employment of low-income persons)*

The CDBG Program has provided gap funding for the planning and construction of community college satellite campuses in rural, low-income communities to increase access to education and employment for low-income persons.

*2.4 (Provide funding for job training and counseling services, particularly for those that are hardest to employ)*

The Community Jobs Program has in every year exceeded the performance target of placing in unsubsidized employment at least 57% of enrolled parents. Current year performance (FY06) is 64% placements. WorkFirst budget reductions during the past 3 years have reduced the Community Jobs Program from \$23 million to a present \$13 million per year. Community Jobs is working to incorporate partnerships with offender-to-work initiatives and continues to provide quality services with developed partnerships.

Through its partnership with rural counties and local community action agencies, CDBG funded \$159,316 for public services in support of job preparation, placement and development and \$81,672 for educational assistance for low-income persons.

### **STRATEGY 3.**

#### **Promote the economic advancement of low-income families.**

##### **Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

*3.1 (Provide funding for individual development accounts to help low-income families acquire assets, including education, microenterprise, and homeownership)* During 2004, 76 low-income families enrolled in CTED's Individual Development Accounts (IDA) program, bringing total enrollments to 673. The IDA program encourages low-income workers to save money and invest in an asset by matching savings intended for a specific use. Eligible uses include first-time homeownership, small business capitalization, and post-secondary education. Participants must complete financial literacy training and training specific to their chosen asset. As of December 2004, a total of 492 participants had completed financial literacy training, 289 had received asset-specific training (e.g. homeownership counseling or microenterprise training), and 168 had successfully completed their goal of purchasing an asset. Of these, 91 purchased a home, 46 capitalized a small business, and 31 paid for post-secondary education.

*3.3 (Provide training and capital to establish, stabilize, and expand small businesses)* In 2004, the CDBG program awarded 4500,000 to fund two micro-enterprise revolving loan programs to promote economic advancement of low- and moderate-income persons and their small businesses.

The CDBG-supported Rural Washington Loan Fund provided financial assistance to two rural businesses totaling \$800,000 in 2004 to result in the creation or retention of 35 jobs, of which at least 19 are for persons meeting the low- and moderate-income criteria.

### **STRATEGY 4.**

#### **Improve coordination with the WorkFirst and WorkSource programs.**

##### **Progress toward the specific Initiatives of the Plan (with reference to the Initiative Number) include:**

*4.2 (Identify gaps in workforce development services for low-income persons and develop strategies to address them)*

For the past five years, CTED WorkFirst Business Outreach staff has worked in tandem with the Washington State's WorkSource system to increase the number of business customers for the system. Business Outreach Teams are now in place in all local partnerships. Through training and technical assistance, these teams have increased sophistication in their approaches in working with the business community. Hiring events have become a norm, and are taking place regularly. The lack of a statewide data system to demonstrate results remains an issue. The WorkFirst/WorkSource Leadership Team has made it a priority to improve its data collecting system.

### **III. Citizen Participation**